# Community Redevelopment Agency CRA

Community Redevelopment
Agency Special Meeting
July 6,2010

## CRA Definitions

"Community Redevelopment Area" area defined by Florida Statutes F.S. 163.340(10) which is:

"a slum area, a blighted area, or an area in which there is a shortage of housing that is affordable to residents of low or moderate income, including the elderly, or a coastal and tourist area that is deteriorating and economically distressed due to outdated building density patterns, inadequate transportation and parking facilities, faulty lot layout or inadequate street layout, or a combination thereof which the governing body designates as appropriate for community redevelopment.

For community redevelopment agencies created after July 1, 2006, a community redevelopment area may not consist of more than 80 percent of a municipality."

#### How was the CRA established?

#### August 1996 (Resolution 96-0698)

 Broward County (Home Rule Charter County) authorized the establishment of the Hallandale Beach CRA

#### September 1996 (Resolution 96-15)

 The City Commission declared the CRA area (defined as I-95 to NE 14 Ave and Pembroke Rd to County Line Rd), as blighted and an area in which there is an affordable housing shortage

#### November 1996 (Resolution 96-1074)

 Broward County approved the Hallandale Beach Community Redevelopment (CRA) Plan

#### December 1996 (Ordinance 96-25)

 Hallandale Beach City Commission/CRA Board of Directors established the Redevelopment Trust Fund

## CRA Components

- <u>CRA Plan</u> Goals, Objectives and Policies governing CRA activities.
- <u>Tax Increment Financing (TIF)</u> Amount of taxes levied each year beyond the base year value by each taxing authorities, on taxable real property contained within the CRA area.
- <u>Taxing Authorities:</u> The following are the tax contributors of the Hallandale Beach CRA:
  - Hallandale Beach General Fund
  - Broward County General Fund
  - Children's Services Council
  - South Broward Hospital District

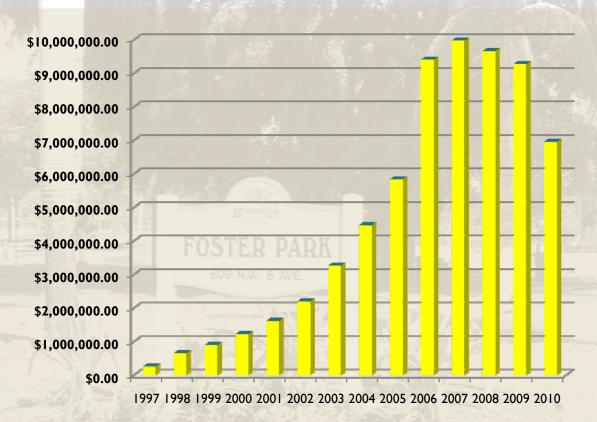
## CRA Lifespan

#### **CRA Life Span:**

The life span of the Hallandale Beach CRA is 30 years:

- Established 1996
- Sunset 2026
- 16 years remaining

# History of CRA Tax Increment Financing (TJF) - Revenue



Hallandale Beach General Fund Contribution to the CRA: \$28,290,151 Broward County General Fund Contribution to the CRA: \$26,921,819 Children Services Contribution to the CRA: \$1,929,904 South Broward Hospital District: \$1,449,873 Fiscal Year

**97-98:** \$246,512

**98-99:** \$646,086

99-00: \$886,078

00-01:\$1,200,989

01-02: \$1,606,149

02-03: \$2,186,050

03-04: \$3,255,890

04-05: \$4,461,035

05-06: \$5,827,132

06-07: \$9,390,974

07-08: \$9,959,814

08-09: \$9,651,180

09-10:\$9,263,862

Total: \$58,591,747

**10-11:** \$6,949,107 \*Projected\*

## How is CRA money utilized?

- Operating
- Land Purchase/Assembly
- Infrastructure/ Capital Improvements
- Economic Development and Redevelopment Programs (Residential & Commercial)
- Cultural, Social, & Educational Programs
- Community Policing Initiatives





#### Land Purchases/Assembly to Date

Palms	Gateway	Pro	ject
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- **Ansin Boulevard Property**
- Highland Village Land Subsidy
- Foster Road Redevelopment
- NW Lots Purchased/Conveyed
- **NW Residential Infill Lots**
- Foster Park
- Subtotal

\$17.8 Million

\$550,000

\$467,000

\$18.3 Million

\$2,876,536

\$1,693,333

\$2,500,000

\$ 586,463

\$ 424,592

\$ 188,057

\$ 459,790

\$8,728,771

Bluesten Park Expansion

Sunrise Park

Sunset Park

\$4.5 Million (debit service) Bond Year 3 of 20

**Total Land Purchases/Assembly to Date:** approximately \$13.3 Million

# CRA Program Expenditures per Quadrant To Date

Residential and Commercial Program Total: \$10,186,943

NW \$2,975,025

SW

\$3,591,389

SE \$1,151,946

NE

\$2,468,583

## CRA Program Participation Juception – June 2010

Loan Programs	Number of Loans	Expended
Neighborhood Improvement Program	721	\$4,868,838
Storm Shutter	416	\$434,400
Commercial Code	26	\$1,539,108
Business Incentive	8	\$872,500
Small Business Retention & Expansion	2	\$80,000
Affordable Housing	80	\$2,392,097
TOTAL	1,253	\$10,186,943

# Proposed Changes to Affordable Housing Policy

#### **Current Loan Terms:**

- Maximum Subsidy: \$35,000; addition \$5,000 public employee
- Sliding scale of penalties if property sold within 10 years.
- After 10 years, 40% of the shared appreciation is due to the City at time of sale.

#### **Proposed Changes:**

- Years I-10: The total subsidy is due back at time of sale
- Years:10-30: The total subsidy is reduced by 5% each year until the subsidy it totally forgiven in the 30<sup>th</sup> year.

## Short Sale Policy

- In the event that a resident who received an Affordable Housing Program loan wishes to short sale their property, the City does not have a policy to assist them.
- As the second place mortgagee, the CRA funds will not be recoverable in the event of foreclosure.
- Current loan terms specify that the City has the first right of buyback which
  means the City will have the option to purchase the property at appraised
  market value. This option may not be equitable in the circumstance that the
  property is mortgaged for more than its worth.
- Staff suggests developing a policy that in the event a Lis Pendens (LP) is filed from the resident's first place mortgagee, and the lender agrees to accept a reduced amount, that the City Manager be given the authority to negotiate/approve a payment less than the amount owed.

# CRA Future Programs and Projects

- Microloan Program
- Checklist for Small Businesses
- Business Partnership with area banks
- Revisit Enterprise Zone Possibility
- Brownfield Program
- Website Improvements
- Palms Gateway Project
- Foster Park Building

- 7<sup>th</sup> Avenue Project
- Model Block Program
- Single Family Lot Redevelopment (potential partnership with Habitat for Humanity & others)
- City Wide Parks Master Plan
  - NW Community Pool
  - OB Johnson Expansion
- Foster Road Redevelopment

# Infrastructure & Capital Improvements

- Street Maintenance
- Street, curbing
- Landscaping improvements
- Drainage Improvements
- Cemetery Improvements
- Foster Park Improvements
- Model Block Program
- Foster Road Lighting
- W. Hallandale Beach
   Improvements

- O. B. Johnson Park
- City Playgrounds
- High School Stadium
- Historical Sites
- Hepburn Center
- Hallandale Adult Center
- Athletic Field Upgrades
- Water Treatment Facility Rehab

# Capital Improvement Projects (CJP) & other Projects

- The CRA currently funds approximately 20 CIPs
- CIPs are administered through the CRA, City Parks, Utilities/Engineering and Public Works Departments

### Questions?

Staff thanks you for the workshop and will be happy to provide any additional information or answer any questions you may have.